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Senate Commerce and Labor Committee passes portion of Manufacturing and Tool & Die Recovery Package

Lansing – Part of a package of bills aimed at helping the manufacturing and tool & die industries recover was voted out of the Senate Committee on Commerce and Labor today, Sen. Jason Allen (R-Traverse City) announced.

“This brings us one step closer to helping the tool & die industry recover in our state and create more job opportunities for our residents,” Allen said. “This package is extremely important for the health of our economy.”

As chair of the Commerce and Labor Committee, Allen and his Senate colleagues held six weeks of hearings on issues facing the tool & die industry before introducing the bills recently. Through the hearings the committee learned of the many struggles companies face just to keep their doors open.

Being home to the Big 3 Automakers, Michigan has naturally been a place for manufacturing and tool & die businesses to set up shop. Due to competition from foreign countries such as China, where the industry is subsidized by the government, manufacturing industries have been at a substantial disadvantage.

“The tool and die industry is the backbone of Michigan’s economy,” Allen said. “If we don’t protect this industry, we will see the rest of our manufacturing sector leave Michigan too.”

To keep Michigan’s competitive edge in the manufacturing business, Allen has led the Senate in introducing the Manufacturing and Tool & Die Recovery Package.

The four bills passed out of committee today will:

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- Establish Tool & Die Recovery Zones to provide tax relief similar to the successful Renaissance Zone program, allowing a tax reduction to help keep in the industry competitive while providing incentives for businesses to collaborate for efficiency.
- Increase the apprentice training credit in the Single Business Tax (SBT). A better trained workforce will entice employers to locate in Michigan, leading to more job opportunities.
- Amend the Michigan Broadband Development Authority Act by offering grants to qualified tool & die businesses. Capitalizing on technological advances will help businesses compete in the global market and create more job opportunities.
- Allow skilled trades to present information at college and career nights at high schools. Being able to attract a young, well-educated workforce interested in manufacturing careers will appeal to companies looking to relocate to Michigan.

The package also contains three resolutions to Congress encouraging them to develop economic incentives and other programs to aid in the recovery and stabilization of the manufacturing industry.

Michigan accounts for nearly one-quarter of all jobs lost in the nation recently.

The Tool & Die package is part of the nine-point Jobs Opportunities for Business Success plan, which also includes the Michigan Economic Growth Authority package, also led by Allen.

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